

Service Office's leadership in forging model partnerships throughout West Virginia and across the nation.

Again, Mr. President, I want to express my sincerest congratulations to the West Virginia Coalition Against Domestic Violence Central Service Office for the work it has done and for all that it will continue to do in the future. Also, I would like to express my appreciation for all the WVCADV staff and volunteers. Such commitment and dedication that always inspires me in the work that I do on behalf of West Virginia children and families. I look forward to our future endeavors together as we continue to make great strides in creating "peacemaking partnerships" throughout West Virginia and across the country.●

THE AUTO CHOICE REFORM ACT

● Mr. ALLARD. Mr. President, I rise to make a few remarks concerning the Auto Choice Reform Act. I am a cosponsor of this legislation.

The Auto Choice Act proposes the development of a "no fault compensation system" to provide an option to drivers who do not want to pay for services they do not want and will not use. This legislation would allow for the recovery of economic losses, but not for the recovery of non-economic damages like pain and suffering. Those who choose to stay insured under the tort system would retain the right to sue and be sued for economic and non-economic losses, while those who choose the "no fault" system would be able to sue or be sued for economic damages only. And that is what the Auto Choice Act is really about, Mr. President. Choice for the driving public.

All drivers are currently insured through a system that requires them to pay for insurance on the assumption that if they are involved in an accident then they will sue or be sued for more than economic damages. The majority of drivers are never involved in a suit for pain and suffering, yet they pay for this coverage every single month.

Between 1987 and 1994 the cost of automobile insurance increased by 44%. This extraordinary increase was due in large part to excessive claims made by accident victims for pain and suffering, that is, for compensation beyond the costs of automobile damages and medical bills. For every \$1 in actual economic loss generated by this system, \$3 are paid out for non-economic damages. Rampant abuse of the insurance industry attempts to turn people's misfortune into a sweepstakes.

This sweepstakes is particularly beneficial for attorneys who collect 40 cents of every dollar paid for bodily injury. Twenty-eight cents from every premium dollar goes to attorneys. According to the Joint Economic Committee, lawyers earn between \$15 and \$17 billion a year under the current tort system and lawyers on both sides of a dispute make almost two times the amount of money that injured parties

receive for actual economic loss. This is abuse of a system that exists to protect people from the genuine financial costs of misfortune and tragedy.

The Federal Bureau of Investigation estimates that such excessive legal and medical claims, combined with outright fraudulent claims, have added \$200 in unnecessary premiums for every household in America. That's a \$200 increase for every family—regardless of what type of coverage that family may want. That's \$200 that will not be spent on groceries, clothing for children, or tucked away into savings for education.

This system becomes more inequitable when the burden on low-income and urban drivers is considered. These drivers pay a disproportionate amount of their income for auto insurance. In my home state of Colorado we have the 14th highest insurance rates in the nation. The effects of the high cost of driving in Colorado are particularly noticeable along the more densely populated front range. Last week Denver Mayor Wellington Webb testified before the Senate Commerce Committee concerning the effects of high premium costs on a large urban population. Mayor Webb testified that not only do the urban poor pay a premium disproportionate to their income, but high premium costs can also deter drivers from purchasing insurance at all. Dr. Robert Lee Maril testified to the disproportionate cost of insurance stating that nationally households spend 2% of their annual income on automobile insurance. The upper 50% of people living below the poverty line, however, spend a staggering 14% of their income on automobile insurance.

Mayor Webb also testified that this is not just an issue for the poor. Middle-income families spend on average 150% more on auto insurance than they do on education, and in the City of Denver alone residents would see their premiums reduced by as much as 40%.

In July the Joint Economic Committee released a report that demonstrates the benefits of Auto Choice for businesses. In addition to the relief this bill provides for individual drivers, the JEC reports that nearly 40% of all tort cases against businesses are auto-related. The incentives that drive the tort system increase the cost of doing business. In 1994 businesses spent \$21 billion on auto liability insurance. Just as families are forced to spend money on high premiums that could be better spent on food or education, businesses are forced to dedicate resources to liability insurance instead of payroll and capital investments. The JEC report concluded that the Auto Choice Act would result in an average 27% savings on commercial auto insurance, potentially saving American businesses \$41 billion over five years.

The Insurance Commissioner from my state of Colorado has endorsed this legislation, however, I realize that in spite of the expected benefits of this legislation, some states prefer their

current system. Therefore, this bill provides a choice for the individual states. Under this legislation, state legislatures are able to opt-out of Auto Choice for any reason. Furthermore, the bill clearly states that it will not preclude a State or State Official from fully exercising their regulatory authority concerning policy rates, consumer protection or carrying out the requirements of this act. The Auto Choice Reform Act will leave the ultimate regulation of auto insurance to the states.

The implementation of The Auto Choice Act would cause the average insurance policy to decrease by \$243 annually, saving drivers an estimated \$45 billion nationwide. By providing greater choice to the driving public, without cost to the government, the driving public would save \$246 billion over five years. That's an enormous savings for simply providing an option to the consumer. This is a bill about choice, it is a bill about savings, and it is a bill about equitable compensation for the American driver.

NIH EARMARKS

● Mr. COATS. Mr. President, I would like to speak today about a matter which concerns me greatly—the process by which funds are allocated at the National Institutes of Health (NIH).

The National Institutes of Health is one of the finest institutions of medical research in the World. A commitment to providing the best possible health care has driven the NIH's recruitment of preeminent physicians and medical researchers across the breadth of the medical disciplines.

Having created such an impressive resource, it is disheartening that Congress, through legislative earmarks and other mandates, often undertakes to second-guess the considered opinions of these experts.

The practice of earmarking disease-specific funds results mainly from lobbying pressure directed to Senators or our staffs. As a result of this pressure, Senator's introduce language which sets aside sums of money—often very large sums of money—to be used exclusively for one specific disease.

In September of last year, the Senate overwhelmingly approved the Department of Health and Human Services Appropriations Bill, which contained a provision for an in-depth study to examine the priority setting process at NIH. The amendment which incorporated this study was originally sponsored by myself and Senator Frist, and directed the Institute of Medicine (IOM) to conduct this study with utmost priority.

The intent of this research was to understand how priorities regarding specific research programs are determined, how levels of funding for these research programs are established, and how new organizational entities within the NIH are created.

This study grew out of Senator Frist and my concerns that Congress was unduly influencing the process by which priorities are set at NIH through the practice of the earmarking of funds for disease-specific research. We were concerned that the priority setting process at NIH was becoming less science-based and more politically driven. It was clear that our concern was shared by the majority of the Senate, as they voted to include this amendment in the appropriations bill.

In July of this year, IOM completed its work and reported its findings to Congress. The study cited the need for greater public involvement, specifically, and I quote, "The director of NIH should establish and appropriately staff a Director's Council of Public Representatives, to facilitate interactions between NIH and the general public" and that, "public membership of NIH policy and program advisory groups should be selected to represent a broad range of public constituencies." unquote. It is interesting to note that both these recommendations focus public input directly to NIH, rather than to Congress.

This is very much in line with another recommendation; quote, "The U.S. Congress should use its authority to mandate specific research programs, establish level of funding for them, and implement new organizational entities only when other approaches have proven inadequate." unquote.

The findings of this study are clear. For the purpose of priority-setting, public input—including organized input via lobbying efforts—are most appropriately directed to NIH, where it can be evaluated by appropriate science-based criteria. Only when there is evidence that NIH is unable or unwilling to apply this input appropriately to their priority-setting process and criteria, should Congress influence the process through legislative mandates. It is my contention that if the litmus test were applied to all earmarks, most would be stripped from legislation.

The message is clear: Congress should avoid the practice of earmarking within NIH appropriations. The findings of the research conducted by the independent and impartial experts clearly indicates that the concern regarding the pricess of priority setting at NIH was warranted.

As the Senate considers the future appropriations and authorization legislation for NIH, I would urge my colleagues to consider, with a critical eye, any disease-specific earmarks. I would urge my colleagues to ask themselves whether there is evidence that NIH has somehow failed to appropriately consider and apply science-based priority-setting criteria. In the absence of such evidence, I would urge my colleagues to not impose earmarks or other legislative mandates on the NIH.●

A TRIBUTE TO JOSEPH PINGA

● Mr. CHAFEE. Mr. President, I would like to take this opportunity to pay

tribute to the late Joseph Pinga, a community leader who passed away on September 1st, in West Warwick, Rhode Island. Mr. Pinga was best known for his community giving and his vigilance that helped to reform the West Warwick town government.

Mr. Pinga served honorably in the U.S. Navy and worked to establish his business, Westcott Baking Company, of which he was the owner and operator for over forty years. In this capacity, Mr. Pinga was regarded not only as a local pioneer, but also as a defender of rights for small business owners. In fact, in 1978, *Time Magazine* recognized Joe's perseverance in an article about his struggle with the Occupational Safety and Health Administration.

Joseph Pinga certainly was a believer in community involvement. Numerous charitable organizations could always count on Mr. Pinga's generosity without ever requesting any public acknowledgement. In addition, Joe ran for mayor of West Warwick in 1990 and was a member of the local Elks Lodge.

Mr. President, I join with all Rhode Islanders in extending to Mr. Pinga's family our sympathy and best wishes.●

HONORING WALTER SELLERS

● Mr. DEWINE. Mr. President, I rise today to pay tribute to the distinguished career of Walter G. Sellers of Wilberforce, Ohio—who has recently completed his term as president of Kiwanis International.

Mr. Sellers is the first African-American to serve as Kiwanis International President. For 32 years, he was a member of the Kiwanis Club in Xenia, Ohio. In 1990, he was elected to the Kiwanis International Board of Trustees, he served as Vice President and Treasurer before becoming President.

All Ohioans are proud of Mr. Sellers' outstanding stewardship of one of the largest service clubs in the world. But we also know that his service to our community extends beyond his work with the Kiwanis organization. He has served as President of the Xenia Board of Education and President of the Ohio School Boards Association. And he has done great work on many other public-service boards in Ohio.

Walter Sellers has dedicated his life to improving the lives of the people of Ohio, especially in the field of education. We are all extremely grateful for his efforts and I ask my colleagues to join me in wishing him all the best in his next endeavors.●

THE FUTURE OF FAMILY FARMING AND RANCHING

● Mr. JOHNSON. Mr. President, today I rise to express—in very stark terms—my deep and increasing concern for the future of family farming and ranching in this country. The truth is, our country's family farmers and ranchers are under increasing economic pressure from concentration in agriculture—concentration in meatpacking, con-

centration in food-retailing, concentration in rail and other forms of transportation, concentration in banking, concentration in the grain-trading companies, and concentration in production itself.

The strands of these varied concentrations are tightening around the throats of family farmers and ranchers, threatening not only the farmers and ranchers themselves, but also their families, the small-town businesses that depend on them, their schools, their churches, and the very social fabric that makes rural America such a special and wonderful place to live—the reasons why we should do whatever we can to preserve and promote our system of family farming and ranching.

But there is more at stake here than just our farmers and ranchers and their families, critically important as they are. What's also at stake is the very system that produces our food, that gives us life. Study after study shows that family agriculture is the most efficient way, the most environmentally safe way, to produce our food. And that is another reason why we should do whatever we can to preserve and promote our system of family farming and ranching.

But, frankly, there is a troubling movement in our country toward the corporatization of family agriculture. Look at the pork industry—it has become increasingly dominated by giant corporate hog factories, a fact which has gone hand-in-glove with lower and lower prices for hogs, to the point that many family pork producers can't make a living at it anymore, and have simply given up.

A case in point is the state of North Carolina, which has seen the biggest influx of corporate hog factories in the United States. In 1984, there were 24,000 hog farmers in that state, just before the growth of hog factories skyrocketed. Now, there are 7,000 hog farmers in North Carolina, almost all of them working on contract, little more than hired hands working for outside corporate investors. However, at the same time that independent family hog producers have almost disappeared in North Carolina, the number of hogs produced there has tripled, thus leading to enormous environmental problems—fish kills numbering in the tens of millions, rapidly rising nitrates in groundwater used for drinking, increasing levels in airborne ammonia, stench that makes the eyes water, and a corresponding and unsurprising drop in tourism. The North Carolina experiment has clearly not worked.

What has happened in North Carolina, and what is happening in many other states, is nothing less than a human tragedy. My ancestors, and the ancestors of many people here today, left Europe to escape the feudal system of agriculture, a system of inequality and unfairness where a baron controlled the land and the peasants worked for him as little better than slaves.